REMARKS

The claims are 12-15 and 17-26.

Claims 1-11, 14 and 16 are now cancelled.

Claims 12, 15 and 17-22 have now been amended. The feature of claim 14 has been inserted in claim 12 (and each of the other independent claims). Support for these amendments can be found at page 1, lines 5-8; page 5, lines 16-20; page 5, line 22 to page 6, line 6; page 6, lines 29-30; page 7, lines 22-23; and page 8, lines 1-2 of the specification as originally filed (i.e., PCT/GB00/00303).

Claims 23-26 have been added and are new.

Claims 12-15 and 17-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over either Touitou (5,716,638) or Ribier (5,614,215) in view of the references of Mehta (5,811,119), Ganter (5,635,206), GB 2 002 319 by themselves or in combination.

Further, claims 12-15 and 17-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over either Roux (6,103,259) or Hayward (5,585,109) in view of either Touitou (5,716,638) or Ribier (5,614,215), further in combination with Mehta or Ganter or GB cited above.

These rejections are respectfully traversed.

First, it is emphasized that the product of claim 12 is a homogeneous dry powder mixture. It forms liposomes when it is dispersed or dissolved in an aqueous medium. It must be understood that the homogeneous dry powder mixture is not a preparation of dried liposomes. In contrast, the cited prior art relates to powder compositions containing freeze dried or dehydrated liposomes.

It is an important advantage of the present invention that the dry powder compositions can be prepared by a simple milling/mixing together of the components. Claim 19 has now been directed to this method of preparation and additional claims have been included to the composition when made in this manner.

It will be appreciated that this method of simply milling/mixing together the components avoids the need for the use of solvents, dehydration steps and/or freeze drying procedures and which are essential to the methods of manufacture described in the cited prior art.

The teachings of the cited references are discussed in the remarks of record, for example, the

Supplemental Response dated February 11, 2004, from which it can be seen that the cited references

are remote from the above concepts.

In addition, retinoic acid (employed in the cited Mehta patent) is a carboxylic acid, but is toxic

in large amounts and is not at all suitable for use in the present invention. Furthermore, claim 12 now

specifies the proportions of the xanthine of component c) to the carboxylic acid of component b).

A composition containing such an amount of retinoic acid would be toxic. In conclusion, Mehta does

not represent a teaching which, taken together with the other citations, would lead a person skilled

in the art to the present invention.

No further issues remaining, allowance of this application is respectfully requested.

In the event that the foregoing amendments and remarks are insufficient to place this

application in condition, the Examiner is respectfully requested to contact the undersigned at the

telephone number below before issuing a further Official Action to discuss any issues not resolved

by the present response.

Respectfully submitted,

Steven LEIGH et al.

By: manimo and Matthew M. Jacob

Registration No. 25,154

Attorney for Applicants

MJ/ksh

Washington, D.C. 20006-1021

Telephone: 202-721-8200

Facsimile: 202-721-8250

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